

THE GENERAL LAW VILLAGE ACT (EXCERPT)
Act 3 of 1895

69.22 Raising additional amounts by tax or loan; approval of electors; limitation on taxation and indebtedness; exclusions from limitation; validation of prior bonds or obligations.

Sec. 22. (1) Should any greater amount be required in any year for any lawful purpose than can otherwise be raised by the council under this chapter, the amount may be raised by tax or loan, or partly by tax and partly by loan. If approved by a majority vote of the electors at an annual or special village election, the council may levy a tax which, in any year, shall not exceed 2% of the assessed valuation of the real and personal property within the village, as shown by the last preceding assessment roll of the village.

(2) The amount of indebtedness incurred by the issue of bonds or otherwise, including existing indebtedness, shall not exceed 10% of the assessed valuation of the real and personal property within the village subject to taxation as shown by the last preceding assessment roll of the village. Bonds issued in anticipation of the collection of special assessments even though the bonds are a general obligation of the village, motor vehicle highway fund bonds even though they are a general obligation of the village, revenue bonds, or bonds issued or contract or assessment obligations incurred to comply with an order of the department of environmental quality or a court of competent jurisdiction, even though they are a general obligation of the village and bonds issued or contract or assessment obligations incurred for water supply, sewage, drainage, or refuse disposal necessary to protect the public health by abating pollution even though they are a general obligation of the village, are not included in this limitation. Money on hand in a sinking fund limited to the payment of indebtedness may be treated as a reduction of the indebtedness to that extent. In case of fire, flood, or other calamity requiring an emergency fund for the relief of the inhabitants of the village, or for the repairing or rebuilding of any of its municipal buildings, works, bridges, or streets, the council may borrow money due in not more than 3 years and in an amount not exceeding 1/4 of 1% of the taxable valuation of the village, notwithstanding that the loan may increase the indebtedness of the village beyond the limitations fixed by this section. If a village is authorized to acquire or operate a public utility, the village may issue mortgage bonds therefor beyond the general limit of bonded indebtedness prescribed by this section. The mortgage bonds issued beyond the limit of general indebtedness prescribed by this section shall not impose any liability upon the village, but shall be secured only upon the property and revenues of the public utility, including its franchise, stating the terms upon which, in case of foreclosure, the purchaser may operate the public utility; which franchise shall not extend for a period of more than 20 years from the date of the sale of the utility and franchise on foreclosure. All bonds issued, or contract or assessment obligations incurred, before January 30, 1974 are validated.

History: 1895, Act 3, Imd. Eff. Feb. 19, 1895;—CL 1897, 2873;—CL 1915, 2747;—CL 1929, 1656;—CL 1948, 69.22;—Am. 1952, Act 168, Eff. Sept. 18, 1952;—Am. 1969, Act 65, Eff. Mar. 20, 1970;—Am. 1974, Act 4, Imd. Eff. Jan. 30, 1974;—Am. 1998, Act 254, Imd. Eff. July 13, 1998.